



Donald L. Carcieri
Governor

Adelita S. Orefice
Director

Employment Bulletin

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www.dlt.ri.gov/lmi

Rhode Island
Department of
Labor & Training
1511 Pontiac Ave.
Cranston, RI 02920
401-462-8740

Rhode Island's Unemployment Rate is Virtually Unchanged in August

Rhode Island's seasonally adjusted unemployment rate for August was 5.2 percent. The August jobless rate showed little change (+0.1 of a percentage point) from July and from August of last year. The number of unemployed residents edged up 300 over the month to 29,500 in August. Compared to a year ago, the jobless level is up 900. The over-the-month increase in the number of unemployed, along with a rise in the number of employed residents (+2,500), accounted for a gain of 2,900 in the labor force.

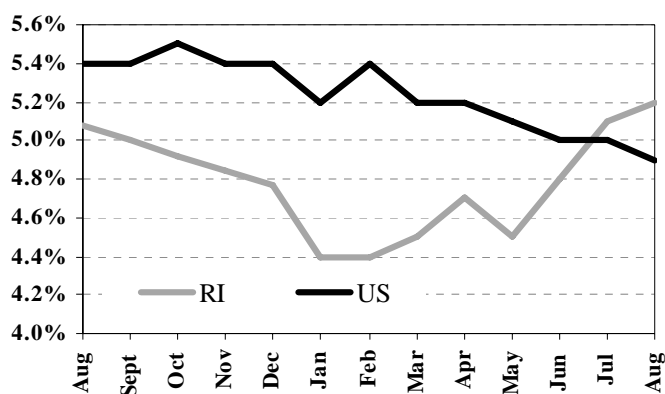
Nationally, the unemployment rate for August inched down 0.1 of a percentage point to 4.9 percent. A year ago, the US rate was 5.4 percent. Rhode Island's unemployment rate for August remained above the national average for the second straight month.

The 2005 Employee Benefits Report Is Now Available

Employee benefits have been at the forefront of political debates and labor negotiations for quite some time. The lack of information relating to employee benefits has left Rhode Island employers asking many questions regarding where they stand in comparison with other employers in the state. Until now...

The Rhode Island Department of Labor and Training recently conducted a survey of businesses operating in Rhode Island to determine the type and frequency of benefits offered to workers in the Ocean State. Survey results indicate that the most commonly offered benefits are Health Insurance and Vacation/Consolidated Paid leave, followed by Retirement Plans and Dental Benefits. (Continued on Page 4)

RI & US Unemployment Rates
Seasonally Adjusted 2004 - 2005



Employers, Consider Hiring a Veteran

In November we celebrate Veterans' Day, which honors veterans for their service to our country. On Thursday, November 17, 2005, the Providence netWORKri Career Center at One Reservoir Avenue will host a Veterans' Job Fair. Rhode Island employers are urged to hire vets who have training, a good work ethic, and an array of skills to add value to your business. Questions relating to the job fair may be directed to 401-462-8802.

If you would like to place a job order and take advantage of the experience and talent of our veteran population, please call 1-888-616-5627. Indicate your preference to hire a vet.

Seasonally Adjusted Labor Force Statistics (in thousands)

	Rhode Island			United States		
	Aug 05	Jul 05	Aug 04	Aug 05	Jul 05	Aug 04
Civilian Labor Force	573.7	570.8	561.9	149,841	149,573	147,676
Resident Employment	544.1	541.6	533.4	142,449	142,076	139,658
Unemployment	29.5	29.2	28.6	7,391	7,497	8,018
Unemployment Rate	5.2%	5.1%	5.1%	4.9%	5.0%	5.4%

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Rhode Island Job Count Declines

The Rhode Island job count (seasonally adjusted) decreased in August, following ten successive months of increased employment. Businesses in the state reported a decline of 600 jobs, bringing the August job count to 495,800 (seasonally adjusted). Over-the-month employment losses were reflected in Manufacturing (-300); Government (-300); Leisure & Hospitality (-200); and Trade, Transportation & Utilities (-100). Construction (+300); Professional & Business Services (+300); and Educational & Health Services (+200) experienced monthly gains. Financial Activities remained even over the month.

“The number of jobs in Rhode Island declined slightly in August. While we don’t expect to see employment increases every month, the overall trend has been very encouraging – ten out of eleven months of job gains,” said DLT Director Adelita S. Orefice. “This month’s decline follows a gain of 7,400 jobs over the past ten months. Overall, we’re still on the right track.”

Although employment experienced a slight drop in August, non-farm employment in the state is up by 4,700 (+1.0%) jobs since January 2005. During this eight-month period, the Leisure & Hospitality (+1,600), Educational & Health Services (+1,600), Construction (+700), and Professional & Business Services (+700) sectors reported the largest employment gains, while job losses were noted in Manufacturing (-1,500).

Employment was up 6,400 (+1.3%) from the 489,400 jobs reported in August 2004. The largest employment growth noted during this period occurred in the Educational & Health Services (+2,700), Leisure & Hospitality (+2,200), Financial Activities (+1,300) and Professional & Business Services (+1,300) sectors, offsetting over-the-year losses in Manufacturing (-2,100) and Trade, Transportation & Utilities (-700). Since last August, Government employment has remained stable.

Hours and Earnings

In August 2005, the \$13.12 average hourly wage earned by the Manufacturing sector’s production workers represented a monthly gain of one cent per hour and an over-the-year gain of eight cents per hour. Manufacturing employees worked an average of 38.4 hours per week in August, down 0.2 of an hour over the month and 0.5 of an hour since August 2004.

Manufacturing Employment in Rhode Island Not Seasonally Adjusted											
	Employment					Production Worker Averages					
	(in thousands)			Net Change From		Weekly Hours			Hourly Earnings		
	Aug 05	Jul 05	Aug 04	Jul 05	Aug 04	Aug 05	Jul 05	Aug 04	Aug 05	Jul 05	Aug 04
Manufacturing	54.9	52.2	57.1	2700	-2200	38.4	38.6	38.9	13.12	13.11	13.04
Durable Goods	36.5	34.6	37.5	1900	-1000	38.4	38.4	38.9	13.05	13.06	13.03
Fabricated Metal Product Mfg.	7.5	6.9	7.9	600	-400	39.2	38.3	38.1	11.65	11.70	11.72
Computer & Electronic Product Mfg.	4.8	4.7	5.2	100	-400	39.4	39.0	37.0	14.09	14.01	13.88
Miscellaneous Manufacturing	10.2	9.4	10.7	800	-500	36.5	36.7	37.5	10.95	10.89	10.87
Jewelry and Silverware	7.4	6.8	7.7	600	-300	37.0	36.2	38.2	10.12	10.16	10.20
Non-Durable Goods	18.4	17.6	19.6	800	-1200	38.3	38.9	39.0	13.25	13.19	13.05
Chemical Manufacturing	4.1	4.1	4.3	0	-200	40.7	41.7	39.8	15.61	15.55	15.35
Plastics & Rubber Products Mfg.	2.9	2.9	3.0	0	-100	40.5	40.8	40.8	14.70	14.62	14.67

The employment figures in the “Rhode Island Job Count Declines” section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state. Unadjusted total nonfarm employment data is available at: www.dlt.ri.gov/lmi/ces.htm. Current month’s figures are preliminary and subject to change.

Characteristics of the Insured Unemployed

In August 2005, approximately 43 percent of Rhode Island's unemployed workers were eligible to collect unemployment insurance benefits. Numbering 12,712 people, these "insured unemployed" accounted for 2.6 percent of the state's establishment employment (unadjusted). Nearly 23 percent (2,856) of the Ocean State's insured unemployed faced long-term unemployment, defined as collecting unemployment benefits for more than fourteen weeks.

Roughly 27 percent (3,386) of the people receiving unemployment insurance benefits were between the ages of 35 and 44, while an additional 26 percent (3,346) were 45 to 54 years old. Concentrations of long-term unemployment were highest among workers over 60 years of age, due in part to the difficulties workers face in finding new jobs as they grow older. For example, 29 percent of all insured unemployed workers 60 years and older had been collecting benefits for at least fourteen weeks, whereas 20 percent of those under 22 years of age and 25 percent of 22 to 24 year olds were considered long-term unemployed.

In August, approximately 45 percent (5,736) of those collecting unemployment insurance benefits had just a high school diploma. An additional 1,619 people (12.7%) had less than a high school diploma, while 9.0 percent (1,142) of the insured unemployed had at least a bachelor's degree. The highest rates of long-term unemployment were noted among those with the least amount of education. For instance, roughly 27 percent of insured unemployed workers with less than a high school diploma had been collecting benefits for a minimum of fourteen weeks, while 19.5 percent of those with at least a bachelor's degree were considered long-term unemployed.

On an industry basis, 15.3 percent (1,949) of the state's insured unemployed workers came from the Manufacturing sector. There were also 1,615 individuals with an attachment to the Accommodation & Food Services sector, accounting for 12.7 percent of all insured unemployed workers. More than 10 percent (1,360) of those collecting unemployment insurance benefits in August had worked in the Health Care & Social Assistance sector. Large numbers of insured unemployed were also reported in Transportation & Warehousing (1,182), Retail Trade (1,053), and Administrative & Waste Services (935).

More than 13 percent of the state's insured unemployed previously worked in Office & Administrative Support occupations, accounting for 1,677 people. A large number of workers previously employed in Transportation & Material Moving (1,569), Food Preparation & Serving Related (1,279), and Production (1,252) also collected unemployment insurance benefits in August. Numerous occupational groups reported concentrations of long-term unemployment above the state average, including Architecture & Engineering (47.9%), Business & Financial Operations (34.4%), Computer & Mathematical (32.0%), Office & Administrative Support (31.2%) and Installation, Maintenance & Repair (30.1%).

Characteristics of the Insured Unemployed, August 2005

	Total	Long-Term	Percent Long-Term
Total	12,712	2,856	22.5%
Male	5,206	1,419	27.3%
Female	7,506	1,437	19.1%
Age	12,712	2,856	22.5%
Under 22	302	61	20.2%
22 - 24	537	136	25.3%
25 - 34	2,464	588	23.9%
35 - 44	3,386	688	20.3%
45 - 54	3,346	687	20.5%
55 - 59	1,209	268	22.2%
60 - 64	835	215	25.7%
65 or over	633	213	33.6%
Education	12,712	2,856	22.5%
Less than 9th Grade	482	150	31.1%
9th to 12th, no diploma	1,137	290	25.5%
High School Graduate	5,736	1,297	22.6%
Some College	3,397	839	24.7%
Bachelor's Degree	782	162	20.7%
Beyond Bachelor's	360	61	16.9%
Selected Industries	12,712	2,856	22.5%
Construction	780	170	21.8%
Manufacturing	1,949	740	38.0%
Wholesale Trade	383	117	30.5%
Retail Trade	1,053	320	30.4%
Transportation & Warehousing	1,182	58	4.9%
Information	168	57	33.9%
Finance & Insurance	563	186	33.0%
Real Estate	236	67	28.4%
Professional & Tech. Services	502	161	32.1%
Administrative & Waste Services	935	217	23.2%
Educational Services	539	29	5.4%
Health Care & Social Assistance	1,360	302	22.2%
Arts, Entertainment & Recreation	175	24	13.7%
Accommodation & Food Services	1,615	164	10.2%
Other Services	440	108	24.5%
Public Administration	280	14	5.0%
Selected Occupations	12,712	2,856	22.5%
Business & Financial Operations	349	120	34.4%
Computer & Mathematical	125	40	32.0%
Architecture & Engineering	140	67	47.9%
Life, Physical & Social Science	52	17	32.7%
Community & Social Services	173	46	26.6%
Legal	41	17	41.5%
Education, Training & Library	919	40	4.4%
Arts, Design, Ent., Sports & Media	213	60	28.2%
Healthcare Practitioner & Technical	194	53	27.3%
Healthcare Support	210	59	28.1%
Protective Service	345	28	8.1%
Food Preparation & Serving Related	1,279	108	8.4%
Bldg. & Grounds Cleaning & Maint.	205	60	29.3%
Personal Care & Service	221	40	18.1%
Sales & Related	676	191	28.3%
Office & Administrative Support	1,677	523	31.2%
Construction & Extraction	455	129	28.4%
Installation, Maintenance & Repair	356	107	30.1%
Production	1,252	368	29.4%
Transportation & Material Moving	1,569	205	13.1%

Consumer Price Index for All Urban Consumers

	% Change		
	Aug 05	Jul 05	Aug 04
	Prev. Year		
All Items	196.4	195.4	189.5
			3.6%

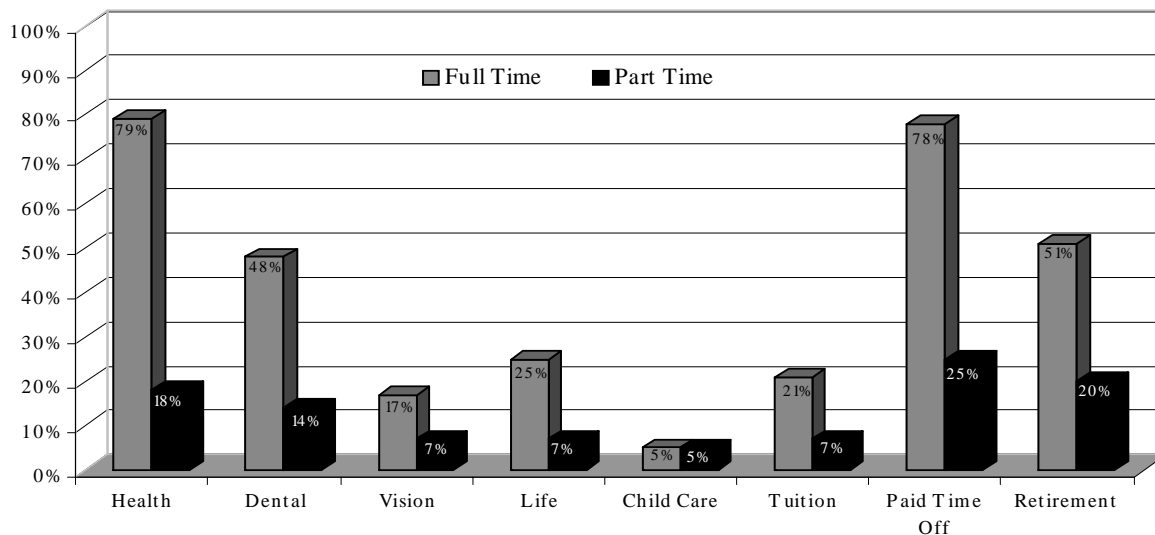
Source: U.S. Dept. of Labor, Bureau of Labor Statistics

The 2005 Employee Benefits Report (Continued from Page 1)

Nearly 80 percent of the state's employers offer Health Insurance and Vacation/Consolidated Paid leave to their full-time employees while approximately half of the employers offer Retirement Plans and Dental Benefits to their full-time workers. Other benefits offered to full-time workers include Life Insurance (25%), Education Reimbursement (21%), Vision Benefits (17%) and Child Care Benefits (5%).

While some employers offer the same benefits to their part-time workers, the reality is that those working less than full-time are much less likely to enjoy fringe benefits. Approximately one quarter of the employers in the state offer Vacation/Consolidated Paid leave to their part-time workers. Twenty percent offer a Retirement Plan, 18 percent offer Health Benefits and 14 percent offer Dental Benefits.

Percentage of Firms Offering Benefits by Type



For a copy of the summary of the results from the 2005 Rhode Island Employee Benefits Survey, please call the LMI unit at 462-8740 or visit the LMI website at www.dlt.ri.gov/lmi/ebs.htm.

City & Town Unadjusted Unemployment Rates for August

	2005	2004		2005	2004
Barrington	3.9	3.5	Newport	4.2	4.2
Bristol	4.5	4.4	North Kingstown	3.8	3.6
Burrillville	4.7	4.8	North Providence	5.2	5.1
Central Falls	6.9	6.4	North Smithfield	4.4	4.4
Charlestown	4.9	4.7	Pawtucket	5.8	5.8
Coventry	5.1	5.0	Portsmouth	3.9	3.5
Cranston	5.0	5.0	Providence	6.9	6.4
Cumberland	4.5	4.5	Richmond	3.3	2.9
East Greenwich	4.8	4.4	Scituate	4.7	5.3
East Providence	5.1	5.2	Smithfield	4.9	4.6
Exeter	4.3	4.1	South Kingstown	4.6	4.3
Foster	5.7	5.7	Tiverton	5.2	5.0
Glocester	3.9	3.5	Warren	5.1	4.9
Hopkinton	4.9	5.1	Warwick	4.7	4.6
Jamestown	3.5	3.2	West Greenwich	4.4	4.5
Johnston	4.9	5.3	West Warwick	5.6	5.2
Lincoln	4.6	4.3	Westerly	3.6	3.5
Little Compton	3.7	3.8	Woonsocket	5.5	5.3
Middletown	3.9	4.1			
Narragansett	3.2	3.0	State of R.I.	5.1	4.9
New Shoreham	2.1	2.1	United States	4.9	5.4

Unemployment Insurance Claims Activity

	Aug 2005	Jul 2005	Aug 2004	% Change		Year to Date		
				Jul 05	Aug 04	2005	2004	% Change
Initial Claims	4,786	6,194	4,807	-22.7%	-0.4%	52,566	55,569	-5.4%
Number of Payments	57,252	47,269	62,428	21.1%	-8.3%	448,000	475,761	-5.8%
Amount of Payments (gross millions)	\$17.7	\$14.5	\$18.7	22.1%	-5.3%	\$145.8	\$148.7	-2.0%
Exhaustions (Final Payments)	1,288	1,042	1,367	23.6%	-5.8%	10,608	11,443	-7.3%



Rhode Island Department of Labor and Training

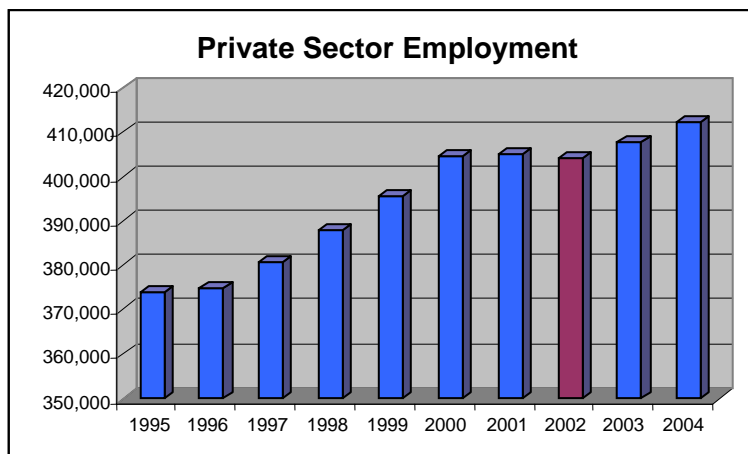
State of Rhode Island

Ten Year Profile 1995-2004



Private Employment

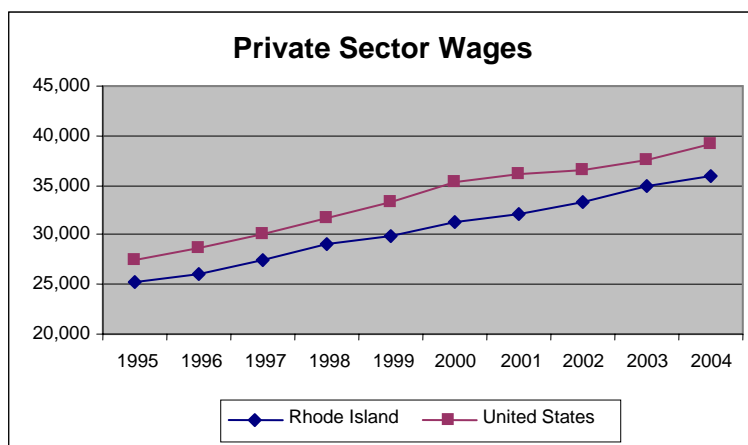
Rhode Island employed 412,209 private sector workers in 2004, representing the largest ever annual employment figure. This is an increase of 38,246 jobs (+10.2%) from 1995 private employment totals. The largest annual job gain during this ten year period occurred between 1999 and 2000, when 9,121 (+2.3%) new jobs were created. The smallest annual employment gain took place the following year when a modest 191 jobs were added between 2000 and 2001. Annual employment growth in the private sector occurred between 1995 and 2000, with significant gains occurring between 1997 and 2000, when over thirty thousand jobs were created. This four year period accounted for 78.7 percent of the total employment increase during the past ten years. A loss of 974 jobs was reported in 2002, the only annual employment decline recorded between 1995 and 2004.



Rhode Island Employment	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Private Sector	373,963	374,685	380,835	387,791	395,670	404,791	404,982	404,008	407,764	412,209

Wages

In 2004, the average annual private sector wage in Rhode Island was \$35,959, representing the largest annual earnings during this ten year period. This wage marks a 42.3 percent (\$10,687) increase from the \$25,272 earned in 1995. The largest annual wage increase occurred between 2002 and 2003, with workers earning an extra \$1,625 (+4.9%) in 2003. The smallest annual wage increase took place between 1995 and 1996, with the 1996 annual wage rising by \$832 (+3.3%). There were no annual wage declines reported between 1995 and 2004. In comparison, the private sector annual wage in Rhode Island lagged behind the United States in each of the ten years.



Private Sector Wages	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Rhode Island	\$25,272	\$26,104	\$27,482	\$28,974	\$29,894	\$31,206	\$32,179	\$33,240	\$34,865	\$35,959
United States	\$27,440	\$28,581	\$30,064	\$31,762	\$33,244	\$35,337	\$36,157	\$36,539	\$37,508	\$39,127

	1995		2003		2004	
New England States	Average Employment	Average Wages	Average Employment	Average Wages	Average Employment	Average Wages
Rhode Island	373,963	\$25,272	407,764	\$34,865	412,209	\$35,959
Connecticut	1,344,015	\$34,944	1,390,345	\$48,935	1,398,623	\$51,614
Maine	439,583	\$22,464	492,329	\$30,229	497,613	\$31,402
Massachusetts	2,537,781	\$32,136	2,739,212	\$46,569	2,739,198	\$49,218
New Hampshire	458,108	\$26,468	520,458	\$37,685	529,349	\$39,545
Vermont	222,860	\$23,140	244,595	\$31,572	248,073	\$32,720

New England Comparison

Over the past ten years, New Hampshire added 71,241 jobs (+15.6%) and experienced the largest private sector employment growth on a percentage basis. Maine was second in terms of percentage growth with an increase of 58,030 (+13.2%) positions. Numerically, 201,417 (+7.9%) new jobs were created in Massachusetts between

1995 and 2004, the most of all New England states. Additionally, Vermont added 25,213 (+11.3%) jobs, while employment in Connecticut increased by 54,608 (+4.1%), the smallest percentage gain of all area states. Between 1995 and 2004, the annual wage in Massachusetts increased by \$17,082 (+53.2%), the largest gain in New England numerically and on a percentage basis. New Hampshire (+49.4%) experienced the second largest annual wage percentage gain during this period, followed by Connecticut (+47.7%). Vermont's annual wage grew by 41.4 percent, while Maine reported the smallest annual wage percentage gain of 39.8 percent. Rhode Island's employment (+38,246) and annual wage (+\$10,687) increased by 10.2 percent and 42.3 percent, respectively, the fourth largest percentage gain in New England in each category.